FINANCIAL/PROGRAMMING WG

Brief to the FMP ESC

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Gordon McCoy (Chair)
AMP – SEA 04M54
(202) 781-1666
Mccoygk@navsea.navy.mil

CDR Stan Cunningham (Co-Chair)
OPNAV N431K
703-601-1667

OUTLINE

Where We Are

- Coordinated Plan & Brief
- DSA Standardization
- FMP BAM
- NAVSEA P-1 Line Restructuring
- PEO for Battle Force Installations
- Funding Flexibility

Conclusions

COORDINATED PLAN & BRIEF

- Coordinate the 5 Working Group Initiatives into a single coherent plan
- Outline
  - What is wrong with current system?
  - Initiatives
    - Options
    - Pro’s
    - Con’s
  - Alignment of initiatives to customer needs
  - Synergy of Initiatives/Options
  - Recommendations
- Preliminary Conclusions
  - FMP Requirements Process is a Critical Need (FMP Conops)
- Preliminary Recommendations for 5 June response to CEB
- Brief Initiatives (Options, Pro’s & Con’s) & receive Feedback at June FMP Conference
- Finalize Recommendations by 30 July 01

DSA STANDARDIZATION

- End Products to FMP ESC
  - Options (Complete)
  - Pro's & Con's (Preliminary)
  - Recommendation (Preliminary, 5 June)
- Status
  - 5 Meetings (18 Dec, 4 Jan, 18 Jan, 20 Feb & 14 May)
  - Action Items (10) 1-4 completed
  - Revised DSA Elements concurred by SPM FMP BFMs,
- Options
  - Modify % based on Revised DSA Elements
  - Individual Estimates for each Revised DSA Element
  - Create a Separate Funding Line for Revised DSA Elements
  - Eliminate DSA and roll $ requirements into Procurement
  - Eliminate DSA and roll $ requirements into Installation
  - Eliminate DSA and roll $ requirement into procurement/install based on alteration specific or availability specific DSA
- Estimated Completion Date 30 July 01

FMP BAM

- End Products to FMP ESC
  - Options w/Pro's & Con's
  - Recommendation

- Status
  - Meeting TBD
  - Action Items (5)
  - FMP Requirements & Resources alignment, policy & process
    - OPNAV N760 & NAVSEA 00/09

- Options
  - TBD

- Estimated Completion Date TBD

NAVSEA P-1 LINE STRUCTURE

- End Products to FMP ESC
  - Options (Complete)
  - Pro's & Con's (Preliminary)
  - Recommendation (Preliminary, 5 June)
- Status
  - 4 Meetings (18 Dec, 4 Jan, 20 Feb & 14 May)
  - Actions Items (11), 1-8 completed
  - SPM BFMs grouping NAVSEA P-1 lines by capability and sponsors
  - Recommend briefs by SPAWAR & NAVAIR
- Options
  - Restructure NAVSEA P-1 Lines to *3-digit sponsor level*
  - Restructure NAVSEA P-1 Lines to *2-digit sponsor level*,
  - Restructure NAVSEA P-1 Lines by BF
  - Restructure NAVSEA P-1 Lines by platform
  - Restructure NAVSEA P-1 Lines by capability
  - Add new PPBS category (FMP vice OPN, O&MN, etc.)
- Estimated Completion Date 30 July 01

PEO for BF INSTALLS

- End Products to FMP ESC
  - Options (Complete)
  - Pro's & Con's (Preliminary)
  - Recommendation (Preliminary, 5 June)
- Status
  - 2 Meetings (20 Feb & 14 May)
  - Action Items (5), , 1 completed
  - Recommend briefs by SPAWAR & NAVAIR
- Options
  - Centralized management of FMP funding by BF
  - Centralized management of FMP funding by platform
  - Centralized management of FMP funding by capability

- Estimated Completion Date 30 July 01

FUNDING FLEXIBILITY

- End Products to FMP ESC
  - Options (Complete)
  - Pro's & Con's (Preliminary)
  - Recommendation (Preliminary, 5 June)
- Status
  - 2 Meetings (20 Feb & 14 May)
    - Action Items (2),
    - Recommend briefs by SPAWAR & NAVAIR
- Options
  - BTR Process Change Recommendations
    - NAVSEA imposed
    - Floors

- Estimated Completion Date 30 July 01

CONCLUSION

- WG meetings
  - 14 May
  - 24 May

  [Preliminary Recommendations, 5 June]
  - Prior to FMP conference
  - FMP conference
    - Consolidated presentation
    - Socialize initiatives with other Sub-committees
    - Receive Feedback
  - After FMP conference
- Final Recommendations, Aug ESC meeting
- Business Process Re-engineering (Sub-committee support)

QUESTIONS

BACK-UP SLIDES

ADDITIONAL DIRECTION

- Internal Financial Issues
  - Obligation Plan Rework
  - Simplify BTR Process
  - FMPMIS DSA Algorithms
  - FMPMIS Advance Planning Algorithms
  - DSA Percentages
- PPBS Issues
- Zero Based Budget Review
- BAM Development
- Solidify SPM/PARM Budget/Program Teaming

DSA STANDARDIZATION

1. Identify all elements (including current DSA) that are required to bridge procurement of equipment to production installation of equipment.
2. Determine consolidated DSA requirements for different types of alterations (K-alts, D-alts, AERs, etc; dependent on FMP planning subcommittee action on definition of “alteration”.
3. Develop a list of critical DSA items that would benefit from flexible funding (separate DSA accounts e.g. engineering services and CSTU).
4. Investigate scope of DSA elements where separate funding of DSA elements (equipment sponsors and platform sponsors) would be beneficial.
5. Develop standard SPM policy in regards to DSA and Advance Planning Algorithms. (does not have to be same for all, if requirements are different)
6. Investigate central NAVSEA corporate management of DSA
7. Meet with PARMS (NAVSEA, SPAWAR & NAVAIR) on AIs 1-6.
8. Investigate documentation, organization authority and training requirements for AIs 1-6.
9. Forward DSA policy recommendations to FMP ESC and SEA 09.
10. Meet with Resource Sponsors in regards to proposed DSA policy.

REVISED DSA ELEMENTS

Alteration Specific

- Justification Cost Forms (JCF)
- Ship Alteration Record (SAR)
- Ship Installation Drawings (SIDs)
- Bill of Material (BOM)
- Liaison Action Record (LARs)
- Provisioning Technical Documentation (PTD)
- Planned Maintenance System (PMS)
- SEMCIP/EMI
- Damage Control
- Miscellaneous Documentation Support (MDS)

Availability Specific

- Shipcheck
- Ship Selected Records (SSRs)
- Configuration Overhaul Planning (COP)
- COSAL
- DC Plates
- CDMD-OA
- Onsite Technical Representative (OSTR)
- Integrated Test Plans
- RADHAZ
- CAMS
- Availability Planning
- Availability Analysis
- EOSS
- CSOSS
- CSITP
- CSTOM
- OCSOT
- CSAM

FMP BAM

1. Determine required elements of FMP BAM (Procurement, Installation, DSA, ILS products (spares, TTE, tech doc, etc), & Infrastructure (Fleet, SYSCOMs, Supships/NSYs - manpower, facilities, etc.)
2. Determine scope of SYSCOM FMP Budget Fy96-01 (Procurement, DSA & Installation; color of money, executers (PARMs/SPMs) and amount.
   - NAVSEA (Shirley Iturbe/Nelson Hernandez)
   - NAVAIR (Bill Flinner)
   - SPAWAR (TBD)
3. Forward results of AI 2 to N80 to determine missing components of FMP budget (BUMED, NAVSUP, etc)
4. Determine current OPNAV FMP Requirements Generation Process
5. Provide recommendation(s) to FMP ESC and Resource sponsors to develop/align requirements generation process with resources.

NAVSEA P-1 LINE STRUCTURE

1. Determine scope of NAVSEA P1 lines.
2. Investigate restructuring NAVSEA P1 lines by platform vice equipment (similar to NAVAIR aircraft)
3. Investigate restructuring NAVSEA P1 lines by Battle Force
4. Investigate restructuring NAVSEA P1 lines by capability e.g. AAW, environmental, habitability, UNREP.
5. *Investigate restructuring NAVSEA P1 lines by 3-digit sponsor level*
6. *Investigate restructuring NAVSEA P1 lines by 2-digit sponsor level*
7. Investigate restructuring FMP funding by category (FMP vice OPN, OM&N, WPN, APN)
8. Meet with SPM and NAVSEA PARM BFMs
9. Meet with N80, N81 & N82
10. Provide recommendations to FMP ESC & SEA 09
11. Meet with Resource Sponsors (N82, 75, 76, 77, 78, 42)

PEO for BF INSTALLS

1. Review past SEA 914 charter, responsibilities and policies.
2. Investigate internal NAVSEA structure changes to support centralized management of FMP funding by platform.
3. Investigate internal NAVSEA structure changes to support centralized management of FMP funding by capability.
4. Investigate internal NAVSEA structure changes to support centralized management of FMP funding by BF.
5. Provide recommendation (background, pros & cons) to centralized management (platform, capability or BF) of FMP installation funding to FMP ESC and SEA 09.

FUNDING FLEXIBILITY

1. Investigate easy method for moving money (FMP procurement, DSA and installation) tied to a procurement (within P1 lines and across P1 lines)
2. Investigate simplifying the BTR Process

DSA STANDARDIZATION, 1

1. Modify % based on Revised DSA Elements

   a. Benefits: simplifies budgeting, DSA built into cost of alt, easier for budget analysis, easier to defend (total package vs. each element)

   b. Hazards: may not cover true cost (over/under-price)

   c. Risk Assessment: fewer installs (but better product)

   d. Interaction:

DSA STANDARDIZATION, 2

2. Individual Estimates for each Revised DSA Element

   a. Benefits: reflect true cost

   b. Hazards: selective funding of DSA elements,

   c. Risk Assessment: incomplete DSA support

   d. Interaction:

DSA STANDARDIZATION, 3

3. Create a Separate Funding Line for Revised DSA Elements

a. Benefits: eliminates multiple P-1s, easier to execute, more efficient, provides DSA funding for D-alts

b. Hazards: subject to major cuts (not tied to procurements, “slush fund”) impact to installs not visible

c. Risk Assessment: cuts,

d. Interaction:

DSA STANDARDIZATION, 4

4. Eliminate DSA and roll $ requirements into Procurement

   a. Benefits: ties DSA to Procurement (OPN/WPN/APN)

   b. Hazards: SPMs lose control of funds, what about O&MN alts?, increase in alt total cost

   c. Risk Assessment: PARMs spend $ on procure & PARM ILS vice SPM ILS & planning

   d. Interaction:

DSA STANDARDIZATION, 5

5. Eliminate DSA and roll $ requirements into Installation

   a. Benefits: ties DSA to install, SPM control, simplifies DSA management under SPM, fully-supported alt

   b. Hazards: could impact # of installs, loss of prior year planning $

   c. Risk Assessment:

   d. Interaction:

DSA STANDARDIZATION, 6

6. Eliminate DSA and roll $ requirement into procurement/install based on alteration specific or availability specific DSA

   a. Benefits: no DSA, directly reflects procurement & install

   b. Hazards: fragments DSA costs, cumbersome to track, no single responsible activity

   c. Risk Assessment:

   d. Interaction:

NAVSEA P-1 LINE CONSOLIDATION,1

1. Restructure NAVSEA P-1 Lines to *3-digit sponsor level*

    a. Benefits: additional execution flexibility,

    a. Hazards: does not resolve platform flexibility

    a. Risk Assessment:

    b. Interaction:

NAVSEA P-1 LINE CONSOLIDATION,2

2. Restructure NAVSEA P-1 Lines to *2-digit sponsor level*

   a. Benefits: execution flexibility

   b. Hazards: does not resolve platform flexibility

   c. Risk Assessment:

   d. Interaction:

NAVSEA P-1 LINE CONSOLIDATION,3

3. Restructure NAVSEA P-1 Lines by BF

a. Benefits: links BF capability to funding, PARM funding (reduces sponsors)

b. Hazards: PARM configuration management,

c. Risk Assessment: impacts composition changes

d. Interaction:

NAVSEA P-1 LINE CONSOLIDATION,4

4. Restructure NAVSEA P-1 Lines by platform

a. Benefits: increase SPM execution flexibility, reduces P-1 lines, WIP type prioritization of alts

b. Hazards: increases complexity of PARM execution,

c. Risk Assessment: BFI

d. Interaction:

NAVSEA P-1 LINE CONSOLIDATION,5

5. Restructure NAVSEA P-1 Lines by capability

   a. Benefits: BFI, baselines,

   b. Hazards:

   c. Risk Assessment:

   d. Interaction:

NAVSEA P-1 LINE CONSOLIDATION,6

6. Add new PPBS category (FMP vice OPN, O&MN, etc.)

a. Benefits: ultimate execution flexibility

b. Hazards: NAVCOMP, procurement complexity

c. Risk Assessment: visibility to marks, need to define control – SPM/PARM,

d. Interaction:

PEO for Battle Force Installations,1

1. Centralized management of FMP funding by BF

   a. Benefits: BF focus vice platform sponsor focus,

   b. Hazards: platform sponsor $ not spent on platform, integration of all SPMs/SYSCOMs into single organization

   c. Risk Assessment: who controls $

   d. Interaction:

PEO for Battle Force Installations,2

2. Centralized management of FMP funding by platform

   a. Benefits: focus improvements at platform level

   b. Hazards: SPM/PARM complexity

   c. Risk Assessment:

   d. Interaction: P-1 line #? facilitates

PEO for Battle Force Installations,3

3. Centralized management of FMP funding by capability

   a. Benefits: baselines, inter-BFI

   b. Hazards: complicates platform integration (capability sequencing),

   c. Risk Assessment: Tech refresh rate?

   d. Interaction: facilitated by P-1 #?

Funding Flexibility,1

1. BTR Process Change Recommendations (NAVSEA rules & Floors)

Floor: $2M Move within SPM without SEA 01 involvement, require coordination with PARMs. Tracking system required

NAVSEA Rules: ?

a. Benefits: flexibility, reaction time,

b. Hazards: none noted!

c. Risk Assessment: accounting visibility

d. Interaction: